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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 8, 2024

Company name: HIROSHIMA GAS CO.,LTD.

Listing: Tokyo

Securities code: 9535

URL: <https://www.hiroshima-gas.co.jp/>

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Scheduled date to file semi-annual securities report: November 12, 2024

Scheduled date to commence dividend payments: December 2, 2024

Preparation of supplementary material on financial results: None

Holding of financial results briefing: Yes

President

Director, Senior Executive Officer and Manager of General
Affair Department

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	41,442	(3.0)	(102)	-	103	(95.0)	(105)	-
September 30, 2023	42,724	5.3	1,907	32.1	2,057	24.2	1,303	10.7

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 123 million [(94.6) %]
Six months ended September 30, 2023: ¥ 2,281 million [71.2 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	(1.53)	-
September 30, 2023	19.06	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	130,152	70,179	51.3
March 31, 2024	137,628	70,512	48.8

(Reference) Equity: As of September 30, 2024: ¥ 66,814 million
As of March 31, 2024: ¥ 67,128 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	6.00	-	6.00	12.00
Fiscal year ending March 31, 2025	-	6.00			
Fiscal year ending March 31, 2025 (Forecast)			-	6.00	12.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	93,600	3.2	2,100	(34.1)	2,300	(31.9)	1,500	(35.6)	21.90

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)
Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2024: 68,603,372 shares
March 31, 2024: 68,490,018 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 1,856 shares
March 31, 2024: 1,848 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 68,516,508 shares
Six months ended September 30, 2023: 68,399,879 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	15,543	15,057
Distribution facilities	31,202	30,835
Service and maintenance facilities	4,066	4,099
Other facilities	10,918	10,797
Construction in progress	5,475	5,951
Total property, plant and equipment	67,206	66,742
Intangible assets	106	100
Investments and other assets		
Investment securities	14,476	14,507
Long-term loans receivable	-	22
Retirement benefit asset	530	564
Deferred tax assets	819	973
Other investments	4,119	4,009
Allowance for doubtful accounts	(20)	(21)
Total investments and other assets	19,925	20,055
Total non-current assets	87,238	86,897
Current assets		
Cash and deposits	27,706	24,245
Notes and accounts receivable - trade, and contract assets	9,388	6,635
Merchandise and finished goods	953	906
Raw materials and supplies	9,395	8,406
Other current assets	2,981	3,081
Allowance for doubtful accounts	(35)	(20)
Total current assets	50,389	43,255
Total assets	137,628	130,152

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Non-current liabilities		
Bonds payable	16,000	16,000
Long-term borrowings	27,994	24,118
Provision for retirement benefits for directors (and other officers)	322	-
Provision for gas holder repairs	598	630
Provision for safety measures	420	334
Provision for gas appliance warranties	200	191
Retirement benefit liability	310	303
Asset retirement obligations	237	219
Other noncurrent liabilities	933	1,235
Total non-current liabilities	47,017	43,033
Current liabilities		
Current portion of non-current liabilities	2,731	6,240
Notes and accounts payable - trade	10,945	6,817
Income taxes payable	179	305
Asset retirement obligations	-	12
Other current liabilities	6,241	3,562
Total current liabilities	20,098	16,939
Total liabilities	67,115	59,973
Net assets		
Shareholders' equity		
Share capital	5,268	5,291
Capital surplus	1,239	1,271
Retained earnings	56,870	56,354
Treasury shares	(0)	(0)
Total shareholders' equity	63,378	62,917
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,406	2,155
Deferred gains or losses on hedges	121	133
Foreign currency translation adjustment	719	1,102
Remeasurements of defined benefit plans	503	506
Total accumulated other comprehensive income	3,750	3,897
Non-controlling interests	3,384	3,364
Total net assets	70,512	70,179
Total liabilities and net assets	137,628	130,152

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	42,724	41,442
Cost of sales	28,421	29,170
Gross profit	14,303	12,272
Selling, general and administrative expenses	12,396	12,374
Operating profit (loss)	1,907	(102)
Non-operating income		
Interest income	2	2
Dividend income	105	123
Share of profit of entities accounted for using equity method	6	-
Miscellaneous income	203	282
Total non-operating income	318	408
Non-operating expenses		
Interest expenses	98	94
Share of loss of entities accounted for using equity method	-	16
Miscellaneous expenses	69	91
Total non-operating expenses	167	202
Ordinary profit	2,057	103
Extraordinary income		
Gain on sale of investment securities	57	-
Total extraordinary income	57	-
Profit before income taxes	2,115	103
Income taxes - current	614	200
Income taxes - deferred	55	(72)
Total income taxes	670	127
Profit (loss)	1,444	(24)
Profit attributable to non-controlling interests	141	80
Profit (loss) attributable to owners of parent	1,303	(105)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit (loss)	1,444	(24)
Other comprehensive income		
Valuation difference on available-for-sale securities	601	(251)
Deferred gains or losses on hedges	(46)	(0)
Remeasurements of defined benefit plans, net of tax	25	2
Share of other comprehensive income of entities accounted for using equity method	254	396
Total other comprehensive income	836	147
Comprehensive income	2,281	123
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,139	42
Comprehensive income attributable to non-controlling interests	141	81